

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 22, 1999

APPLICATION OF

CYRIS, LLC

CASE NO. PUC980171

For a certificate of public
convenience and necessity to
provide local exchange and
interexchange telecommunications
services

FINAL ORDER

On November 12, 1998, Cyris, LLC ("Cyris" or "the Company") filed an application for certificates of public convenience and necessity ("certificate") to provide local exchange and interexchange telecommunications services throughout the Commonwealth of Virginia. On November 17, 1998, Cyris requested a temporary waiver of Rule 2.E.1 of the Commission's Rules for Local Exchange Telephone Competition, as adopted in Case No. PUC950018 ("Local Exchange Rules") requiring audited financial statements to be filed with the application. The Company also requested authority to price its interexchange services on a competitive basis pursuant to § 56-481.1 of the Code of Virginia.

By Order dated January 15, 1999, the Commission directed the Company to provide notice to the public of its application,

directed the Commission Staff to conduct an investigation and file a report, and scheduled a public hearing to receive evidence relevant to Cyris' application. On February 25, 1999, the Staff filed its report finding that Cyris' application was in compliance with the Commission's Local Exchange Rules and the Commission's Rules Governing the Certification of Interexchange Carriers, as amended in Case No. PUC850035, except that the financial statements submitted by Cyris were not audited.

Based upon its review of Cyris' application and its requested waiver of Local Rule § 2.E.1, the Staff determined it would be appropriate to grant to the Company an interexchange certificate and a local exchange certificate subject to two conditions: (1) any customer deposits collected by the Company be retained in an unaffiliated third-party escrow account until such time as the Staff or Commission determines it is no longer necessary; and (2) the Company shall provide audited financial statements to the Staff no later than one year from the effective date of its initial tariff.

A hearing was conducted on March 9, 1999, at which time Cyris filed its proof of publication and proof of service as required by the scheduling order dated January 15, 1999. At the hearing, the application and accompanying attachments, and the Staff's report were entered into the record without objection.

Cyris agreed to the recommendations contained in the Staff's report.

Having considered the application and the Staff's report, the Commission finds that Cyris should be granted certificates to provide local exchange and interexchange telecommunications services, subject to the recommendations contained in Staff's report. We also find the Company's request for a waiver of § 2.E.1 of the Local Exchange Rules, as it relates to filing audited financial statements with the application, should be granted. Although we will require the Company to retain any customer deposits in an unaffiliated third-party escrow account, this requirement should not be interpreted to prevent the Company's normal access to deposits from delinquent terminated accounts. Having considered § 56-481.1, the Commission further finds that Cyris may price its interexchange services competitively.

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) Cyris, LLC is hereby granted a certificate of public convenience and necessity, No. T-438, to provide local exchange telecommunications services subject to the restrictions set forth in the Commission's Rules for Local Exchange Telephone Competition, § 56-265.4:4 of the Code of Virginia, and the provisions of this Order.

(2) Cyris, LLC is hereby granted a certificate of public convenience and necessity, No. TT-66A, to provide interexchange services subject to the restrictions set forth in the Commission's Rules Governing the Certification of Interexchange Carriers, § 56-265.4:4 of the Code of Virginia, and the provisions of this order.

(3) Cyris, LLC shall provide tariffs to the Division of Communications which conform with all applicable Commission rules and regulations.

(4) Cyris, LLC shall provide to the Division of Economics and Finance audited financial statements no later than one year from the effective date of its initial tariff.

(5) Should Cyris, LLC collect customer deposits, it shall establish and maintain an escrow account, held by an unaffiliated third party, to hold such funds, and shall notify the Commission Staff of the escrow arrangement. Any escrow arrangement established pursuant to this order shall be maintained for such time as the Staff or Commission determines necessary.

(6) Pursuant to § 56-481.1 of the Code of Virginia, Cyris, LLC may price its interexchange services competitively.

(7) There being nothing further to come before the Commission, this case shall be dismissed and the papers herein placed in the file for ended causes.